

STATE OF ALASKA

**DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES**
DIVISION OF STATEWIDE PLANNING

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May 24, 2002

Mr. Geoffrey Y. Parker
730 I Street, Suite 226
Anchorage, AK 99501

Subject: Comments on Southwest Alaska Transportation Plan

Dear Mr. Parker:

Thank you for your letter of March 26 concerning the Southwest Alaska Transportation Plan. In it you made three principal assertions:

- The description of the economy (pp. 6-7) misses the mark and fails to justify the proposed roads. The proposed roads appear counter-productive.
- There is no place for roads that have such poor benefit-to-cost ratios; they defeat spending on projects that have real benefits
- The exclusion of the Iliamna-Nondalton project from analysis in the plan is unconscionable

It appears from your arguments and assertions that you have misunderstood the plan's recommendations, implying that we are building far more than the plan actually states. I recommend re-reading the executive summary. Rather than go point-by-point through the text of your letter, I will instead discuss the main points you have raised in light of the plan's actual recommendations.

Regional economy and transportation

We appreciate your perspective on the value of sport fishing to the region's economy and we will consider adjusting the wording of the discussion along the lines you suggest in your letter to more accurately reflect trends in the economy.

We disagree with your assertion that we "missed the mark." In discussing the relationship of economy to transportation, the relative value of sport fishing to commercial fishing was not so important in our recommendations as was capturing the general character of the region's economy and how transportation relates to it. In doing so, we included the very factors you seem to imply we left out.

For example, the plan factored recreational fishing, hunting, and other activities geared to the visitor market into its economic analysis. On page 7 we highlighted the value of the region's remoteness to the economy and pointed out that the health of the salmon industry is in jeopardy, and that its commercial value continues to drop due to the impact of fish farming on the world market.

But the plan also addresses how remoteness contributes to high transportation costs for everyone in the region, siphoning much expendable income away from the region in the form of transportation costs, and limiting investment in the region itself. We would be remiss not to acknowledge this situation, as it is the norm for a great number of the region's residents. And it is an undesirable norm.

Corridor delineation vs. proposing roads

In delineating the transportation corridors specified in the Southwest Alaska Transportation Plan, we are not "proposing roads" as you assert. We are expressing a valid, long-term transportation interest in these routes without making a commitment to build them. Our planning demonstrated unfavorable benefit-cost ratios on most of these conceptual routes. But while we demonstrated that near-term justification for building roads along these routes does not exist, we do not invalidate the transportation interest, or the need to factor this interest in future land use decisions.

There are a few notable exceptions. One is the Williamsport-Pile Bay route. Our planning demonstrated a positive benefit-cost ratio for this route. Note the route is already in use. It is a freight-interest route, of high value to the delivery of goods and fuel to the communities in addition to its historic use as a portage for gill-netters moving between Homer and Bristol Bay. With no direct connection to the "Railbelt," except by marine barge for freight, this road improvement will hardly lead to "crowded, more accessible fisheries" nor will it "shift Alaskans from the Kenai and Susitna Valley to Southwest" as you describe. But it will help lower the cost of living for those who live in the region.

Nothing in the plan specifically threatens the region's sport fishery either in the macro or the micro sense. The State has taken significant steps to protect Alaska's valuable rainbow trout fishery in Governor Knowles' October 2001 Wild Rainbow/Steelhead Trout Initiative. We of course support this effort and will cooperate with the management plan adopted.

But we will also continue to plan transportation in a reasonable, rational manner, with respect for access, quality of life, economic health and the unique character of the region. In so doing, we continue to listen to a variety of perspectives, yours being one of many.

Iliamna-Nondalton

Excluding the Iliamna-Nondalton road from analysis in the Southwest Alaska Transportation Plan was not an issue of moral conscience as you imply. The project has had federal funding authorization for several years now. We are by federal direction prohibited from taking a project already in the environmental review process and evaluating it again in a separate planning process. For this reason we were directed by Federal Highway Administration to exclude the Lynn Canal corridor from the Southeast Alaska Transportation Plan, because of the ongoing Juneau Access environmental document. Moreover, what is truly unconscionable is starting a locally supported project then resubmitting it to a planning process, once it has begun.

Benefit-cost ratios

We have already addressed the use of benefit-cost ratios in the plan's analysis. You took issue with the benefit-cost for the Iliamna-Nondalton project in particular. Our response is

that if benefit-cost ratio were the only criteria for determining whether to build a road or not, Alaska would not have very many roads at all. Nor would we build any airports in communities. We probably wouldn't have a Marine Highway System either. And Anchorage wouldn't have such a robust economy in this scenario. Indeed the transportation infrastructure in much of Alaska would fail to meet this basic test.

When considering transportation in the remote areas of Alaska, expression of community need, project history, safety, potential consolidation of public services, and basic infrastructure are factored into the decision. Further, Section 19.05.125 of the Alaska Statutes sets forth our department's purpose:

The purpose of AS19.05-AS 19.25 is to establish a highway department capable of carrying out a highway planning, construction, and maintenance program that will provide a common defense to the United States and Alaska, a network of highways linking together cities and communities throughout the state (thereby contributing to the development of commerce and industry in the state, and aiding the extraction and utilization of its resources), and otherwise improve the economic and general welfare of the people of the state.

Clearly we are directed to improve the transportation system in Alaska for reasons beyond just simple benefit-cost analysis.

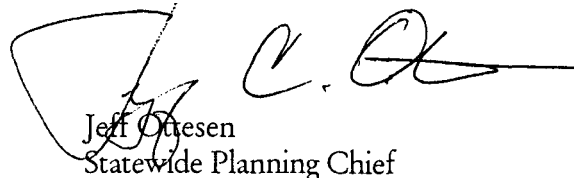
Finally, Federal law requires a fair distribution of federal benefits to populations protected by the Civil Rights Act. As Southwest Alaska is a region with many Native communities, we can not simply deny the benefits of Federal highway funds based solely on unfavorable benefit cost analysis.

Conclusion

We appreciate you taking the time and effort to communicate your concerns to us about the Southwest Alaska Transportation Plan. We believe that the plan presents a valid expression of the region's transportation need as well as a realistic assessment of the State's abilities and limitations in attempting to meet that need. I hope this reply has been able to both communicate our interest in your input as well as alleviate some confusion as to the plan's recommendations.

Thank you again for your valued input. Please let me know if we can be of further assistance.

Sincerely,



Jeff Ottesen
Statewide Planning Chief

Cc: Jack Melton, DOT&PF Central Region Planning